



# Selecting logistics providers in Thailand: a shippers' perspective

Selecting  
logistics  
providers

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## Abstract

**Purpose** – The purpose of this research is to identify key attributes of freight logistics service quality and to examine how these attributes impact shippers' selection of third-party logistics service providers (3PLs). The knowledge and understanding of these attributes can be of great value to 3PLs when developing marketing strategies to attract and retain clients.

**Design/methodology/approach** – A literature review was carried out to identify the main attributes of freight logistics service quality. In-depth interviews were subsequently undertaken to validate and refine the freight logistics service attributes. A questionnaire was then developed and a survey conducted. Logistics regression analyses were performed to examine the impact of freight logistics service attributes on shippers' decision to select 3PLs.

**Findings** – A total of 24 freight logistics service attributes were identified and categorised based on the SERVQUAL model into six dimensions: reliability, assurance, tangibility, empathy, responsiveness, and cost. Freight logistics service quality was found to impact shippers' selection of 3PLs significantly. In the assessment of the impact of each individual service attribute it was observed that accuracy of documents; EDI and E-commerce services; customer relationship management; customer care; updated freight rates; and consolidation provision significantly influenced how shippers selected 3PLs.

**Research limitations/implications** – The focus of the study is limited to international freight logistics services, while other logistics services, such as inventory management or warehouse management, were not included. The context of the study is related to Thailand and the provision of international freight service in the country.

**Practical implications** – An understanding of key attributes based on key freight logistics service quality can help 3PLs in developing marketing strategies that provide services that are considered to be critically important to their customers.

**Originality/value** – The purpose of the study is to define key freight logistics service quality attributes and their respective impact on shippers' decision-making process when choosing a 3PL.

**Keywords** Freight forwarding, Decision making, Thailand

**Paper type** Research paper

## 1. Introduction

Globalisation has emerged as a major force shaping business strategies during the last two decades which has led to an increase in export trade for many developing countries especially for Asian countries such as Singapore, Malaysia and Thailand. Logistics activities especially freight logistics play a significant role in supporting export activities. Efficient logistics management is considered a powerful source of competitive differentiation since it is not only a source of cost savings but logistics

